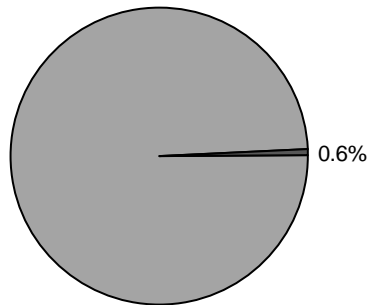


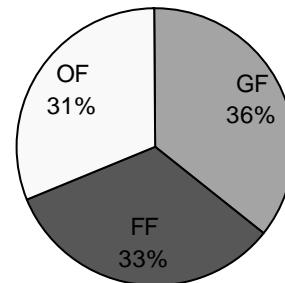
FY2006 Budget Briefing

Environment and Natural Resources

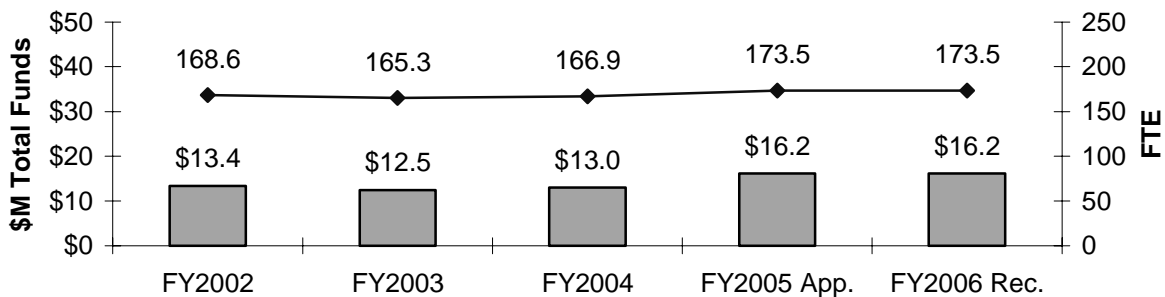
**Agency's Share of Total
Budgeted
State General Fund FY2006**



**Agency's Funding Source Split
FY2006 Recommended**



Budget History



Key Responsibilities

- To provide environmental and natural resources assessment, financial assistance, and regulation in a customer service-oriented manner that provides protection of public health, conservation of natural resources, preservation of the environment, and promotes economic development.

Key Personnel

- Department Secretary, Steve Pirner
- Finance Officer, Rob Green

Environment and Natural Resources

For FY 2006, the Governor recommends no change from FY 2005. The FY 2006 recommended budget consists of \$5,799,543 from the General Fund, \$5,320,077 from federal funds, and \$5,091,122 from other funds, for a total budget of \$16,210,742 and 173.5 FTEs.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	9,047,070	9,623,303	9,623,303	9,623,303	-	0.0%
Travel	581,073	521,628	521,628	521,628	-	0.0%
Contractual Services	2,716,316	5,469,757	5,469,757	5,469,757	-	0.0%
Supplies and Materials	231,248	298,243	298,243	298,243	-	0.0%
Grants and Subsidies	92,354	108,000	108,000	108,000	-	0.0%
Capital Outlay	332,114	189,811	189,811	189,811	-	0.0%
Other	672	-	-	-	-	0.0%
TOTAL	13,000,847	16,210,742	16,210,742	16,210,742	-	0.0%
Funding Sources:						
General Funds	5,440,393	5,799,543	5,799,543	5,799,543	-	0.0%
Federal Funds	5,325,523	5,320,077	5,320,077	5,320,077	-	0.0%
Other Funds	2,234,931	5,091,122	5,091,122	5,091,122	-	0.0%
TOTAL	13,000,847	16,210,742	16,210,742	16,210,742	-	0.0%
FTE	166.8	173.5	173.5	173.5	-	0.0%

Major Expansions and Reductions

Budget Item	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
	-	-	0.0	-	-	0.0
	-	-	0.0	-	-	0.0
	-	-	0.0	-	-	0.0
Total	-	-	0.0	-	-	0.0

No expansion is either requested or recommended.

Financial and Technical Assistance

To evaluate the natural resources of the state and to provide technical and financial assistance in a customer service-oriented manner for the protection, restoration, and development of those resources.

The total recommended budget for Financial and Technical Assistance consists of \$2,072,163 from the General Fund, \$1,533,735 from federal funds, and \$767,961 from other funds, for a total budget of \$4,373,859 and 58.0 FTEs.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	2,910,632	3,171,048	3,171,048	3,171,048	-	0.0%
Travel	180,879	163,876	163,876	163,876	-	0.0%
Contractual Services	734,672	848,502	848,502	848,502	-	0.0%
Supplies and Materials	95,520	137,052	137,052	137,052	-	0.0%
Grants and Subsidies	4,166	-	-	-	-	0.0%
Capital Outlay	86,747	53,381	53,381	53,381	-	0.0%
Other	72	-	-	-	-	0.0%
TOTAL	4,012,688	4,373,859	4,373,859	4,373,859	-	0.0%
Funding Sources:						
General Funds	1,886,393	2,072,163	2,072,163	2,072,163	-	0.0%
Federal Funds	1,490,113	1,533,735	1,533,735	1,533,735	-	0.0%
Other Funds	636,182	767,961	767,961	767,961	-	0.0%
TOTAL	4,012,688	4,373,859	4,373,859	4,373,859	-	0.0%
FTE	55.6	58.0	58.0	58.0	-	0.0%

Revenues

Other Fund Revenue Source

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change from FY2003</u>
Sale of Publications/Maps	\$ 5,524	\$ 6,794	\$ 5,600	\$ 5,600	1.4%
Total Identified Other Fund Revenues	\$ 5,524	\$ 6,794	\$ 5,600	\$ 5,600	1.4%

Selected Performance Indicators

	ACTUAL	ACTUAL	ESTIMATED	ESTIMATED
	FY 2003	FY 2004	FY 2005	FY 2006
Federal Fiscal Reports	49	49	49	49
Travel, Direct, Noncash, Receiving Vouchers, and Cash Receipts Processed	3,636	3,702	3,650	3,650
Requisitions/Travel Requests Processed	46/1,260	48/1,303	48/1,300	48/1,300
Contracts and Grants Monitored	396	409	400	400
Awards/Projects:				
Consolidated Program	\$3.8M/22	\$6.3M/34	\$4.0M/20	\$4.0M/20
Pollution Prevention (P2)	\$13.5K/1	\$81K/2	80.0K/3	\$80.0K/3
Small Community Planning Grants	\$98.7K/30	\$88.1K/21	\$100.0K/30	\$100.0K/30
Solid Waste Program	\$870.0K/5	\$2.4M/19	\$1.5M/15	\$1.5M/15
State Revolving Fund (SRF) Loans	\$35.9M/31	\$14.0M/17	\$55.0M/25	\$40.0M/28
State Water Resources Management				
Systems (SWRMS) Projects	\$1.35M/3	\$8.30M/5	\$4.00M/3	\$4.50M/4
Watershed/Nonpoint Source				
Implementation	\$5.1M/21	\$3.3M/19	\$3.2M/15	\$3.2M/15
Active Nonpoint Source Project				
Implementation Projects	20	28	34	38
Watershed Assessment	29	36	36	25
Active Pollution Prevention Projects	2	3	4	4
State Water Plan Projects	67	62	55	55
Construction Inspections Conducted	54	61	61	61
Plans and Specs Reviewed	79	56	60	60
SRF Loans Reviewed/Monitored	31/181	17/171	25/185	25/200
Test-Hole Footage	14,203	16,115	14,500	14,500
Test Holes Drilled	93	84	85	85
Wells Installed	27	7	10	10
X-ray Analyses Completed	101	42	50	50
Water Samples Collected for Chemical				
Analysis	331	262	280	280
Square Miles Mapped (Geologic)	3,887	115,856	42,115	42,000
Square Miles Mapped for Aquifer Studies	7,737	7,815	5,100	5,000
Projects and Publications Completed	13	10	11	10
Presentations Given To Public or Agencies	25	42	30	30
Oil and Gas Initiative Activities		yes	yes	yes

Environmental Services

Environmental Services helps municipalities, industries, and citizens comply with regulations that protect public health, conserve natural resources, preserve the environment, and promote economic development.

The total recommended budget for Environmental Services consists of \$3,727,380 from the General Fund, \$3,786,342 from federal funds, and \$1,808,161 from other funds, for a total budget of \$9,321,883 and 115.5 FTEs.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	6,136,436	6,452,255	6,452,255	6,452,255	-	0.0%
Travel	400,195	357,752	357,752	357,752	-	0.0%
Contractual Services	1,956,132	2,106,255	2,106,255	2,106,255	-	0.0%
Supplies and Materials	135,728	161,191	161,191	161,191	-	0.0%
Grants and Subsidies	88,188	108,000	108,000	108,000	-	0.0%
Capital Outlay	245,367	136,430	136,430	136,430	-	0.0%
Other	600	-	-	-	-	0.0%
TOTAL	8,962,646	9,321,883	9,321,883	9,321,883	-	0.0%
Funding Sources:						
General Funds	3,553,999	3,727,380	3,727,380	3,727,380	-	0.0%
Federal Funds	3,835,410	3,786,342	3,786,342	3,786,342	-	0.0%
Other Funds	1,573,237	1,808,161	1,808,161	1,808,161	-	0.0%
TOTAL	8,962,646	9,321,883	9,321,883	9,321,883	-	0.0%
FTE	111.2	115.5	115.5	115.5	-	0.0%

Revenues

Other Fund Revenue Sources

	Actual FY2003	Actual FY2004	FY2005 Estm.	FY2005 Estm.	% Change from FY2003
Mining/Oil & Gas Permit Fees	\$ 38,800	\$ 42,250	\$ 40,000	\$ 40,000	3.1%
Licensing & Renewal of Asbestos Handlers	24,350	22,600	20,000	20,000	-17.9%
Water and Wastewater Operator	17,470	16,326	16,500	16,500	-5.6%
Superfund Amended Reauthorization Act	81,800	81,400	81,400	81,400	-0.5%
Air Quality Permit Fees	337,977	326,128	342,167	340,000	0.6%
Solid Waste Permit Fees	11,000	13,250	8,750	8,500	-22.7%
Surface Water Discharge Permit Fees	584,175	588,839	590,950	593,950	1.7%
Feedlot Fees	31,050	34,200	41,005	47,250	52.2%
Drinking Water System Fees	242,735	247,215	247,215	247,215	1.8%
Oil and Conservation Tax	76,790	88,468	90,000	92,000	19.8%
Water Right Fees	47,124	41,780	41,780	41,780	-11.3%
Well Drillers & Dump Installer License Fees	11,392	9,610	9,610	9,610	-15.6%
Total Identified Other Fund Revenues	\$ 1,504,663	\$ 1,512,066	\$ 1,529,377	\$ 1,538,205	2.2%

Selected Performance Indicators

	ACTUAL	ACTUAL	ESTIMATED	ESTIMATED
	FY 2003	FY 2004	FY 2005	FY 2006
Regulated Public Drinking Water Systems	694	685	690	690
Hazardous Waste Generators	1,455	1,474	1,500	1,550
Permitted Solid Waste Disposal Sites	245	241	245	250
Permitted Air Emission Sources	555	565	570	575
Air Quality Monitoring Sites	14	14	14	15
Cumulative Tanks Removed/Sites through the Abandoned Storage Tank Removal Project	3,795/2,687	3,801/2,715	3,850/2,765	3,900/2,815
Active Above-Ground Storage Tanks Regis.	3,995	4,039	4,050	4,050
Active Underground Storage Tanks Regis.	3,081	3,022	3,050	3,050
Spills and Releases Reported	339	256	250	250
Wastewater Point Sources Permitted	363	360	365	370
Stream Sites Sampled for Ambient Water Quality Monitoring	136	137	137	137
Total Water Right Permits	6,357	6,427	6,487	6,547
Active Gold and Other Mine Permits	47	46	48	49
Active Sand and Gravel Mine Sites Licensed	1,988	1,987	1,990	1,990
Population Served by Public Water Systems	650,500	658,356	659,000	660,000
Public Water Supply Systems Assistance with Source Water Assessment and Protection		25	20	20
Public Notice--Animal Feeding Oper. Apps.	18	15	20	25

Regulated Response Fund- Informational

To provide for the cleanup of regulated substances during emergencies or when necessary to protect public health, safety, welfare, or the environment of the state.

The total recommended budget for the Regulated Response Fund consists of \$1,750,000 from other funds and 0.0 FTE.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	25,512	1,750,000	1,750,000	1,750,000	-	0.0%
Supplies and Materials	-	-	-	-	-	0.0%
Grants and Subsidies	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
TOTAL	25,512	1,750,000	1,750,000	1,750,000	-	0.0%
Funding Sources:						
General Funds	-	-	-	-	-	0.0%
Federal Funds	-	-	-	-	-	0.0%
Other Funds	25,512	1,750,000	1,750,000	1,750,000	-	0.0%
TOTAL	25,512	1,750,000	1,750,000	1,750,000	-	0.0%
FTE	0.0	0.0	0.0	0.0	0.0	0.0%

Revenues

Other Fund Revenue Sources

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change from FY2003</u>
Penalties and Reimbursements	\$ 171,692	\$ 206,761	\$ 185,000	\$ 185,000	7.8%
Investment Council Interest	117,149	74,132	85,000	85,000	-27.4%
Total Identified Other Fund Revenues	\$ 288,841	\$ 280,893	\$ 270,000	\$ 270,000	-6.5%

➤ Starting Cash Balance in Regulated Response Fund on 7/01/04- \$1,837,176

Selected Performance Indicators

	ACTUAL FY 2003	ACTUAL FY 2004	ESTIMATED FY 2005	ESTIMATED FY 2006
Environmental Cleanups Fund	4	5	4	4

Livestock Cleanup Fund- Informational

To provide for the cleanup of discharges or spills from animal feeding operations during emergencies, or when necessary to protect public health, safety, welfare, or environment of the state.

The total recommended budget for the Livestock Cleanup Fund consists of \$765,000 from other funds and 0.0 FTE.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	-	765,000	765,000	765,000	-	0.0%
Supplies and Materials	-	-	-	-	-	0.0%
Grants and Subsidies	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
TOTAL	-	765,000	765,000	765,000	-	0.0%
Funding Sources:						
General Funds	-	-	-	-	-	0.0%
Federal Funds	-	-	-	-	-	0.0%
Other Funds	-	765,000	765,000	765,000	-	0.0%
TOTAL	-	765,000	765,000	765,000	-	0.0%
FTE	0.0	0.0	0.0	0.0	0.0	0.0%

Revenues

Other Fund Revenue Sources

	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>FY2006 Estm.</u>	<u>% Change from FY2003</u>
Penalties and Reimbursements	\$ -	\$ -	\$ 5,000	\$ 5,000	0.0%
Investment Council Interest	49,341	42,506	50,000	50,000	1.3%
Total Identified Other Fund Revenues	\$ 49,341	\$ 42,506	\$ 55,000	\$ 55,000	11.5%

➤ Starting Cash Balance in the Livestock Cleanup Fund on 7/01/04 - \$961,777.

Selected Performance Indicators

	ACTUAL FY 2003	ACTUAL FY 2004	ESTIMATED FY 2005	ESTIMATED FY 2006
Environmental Cleanups Funded	1	0	1	1

Other Departmental Issues

A. Interim Appropriation Actions

	Approved FY2005 Budget	Interim Action	Revised Budget
Funding Sources:			
General Funds	\$ 5,799,543	\$ -	\$ 5,799,543
Federal Funds	\$ 5,320,077	\$ -	\$ 5,320,077
Other Funds	\$ 5,091,122	\$ -	\$ 5,091,122
Total	<u>\$ 16,210,742</u>	<u>\$ -</u>	<u>\$ 16,210,742</u>
F.T.E.	173.5	-	173.5

Environment and Natural Resources

General Fund Reversions FY 2000-FY 2004

FY 2000- \$10,835

FY 2001- \$0

FY 2002- \$30,646

FY 2003- \$103,140

FY 2004- \$227,302